



United States Attorney District of New Jersey

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THREE NEW JERSEY MEN ARRESTED, CHARGED IN MULTI-STATE BABY FORMULA THEFT RING

NEWARK, N.J. – Three New Jersey brothers were arrested and charged today for an alleged conspiracy to sell baby formula, stolen from retail stores in several southern states, out of a grocery store in Union City, N.J., United States Attorney Paul J. Fishman announced.

Hamad Siyam, 42, was arrested this morning at his home in North Bergen N.J.; Ali Siyam, 49, also of North Bergen, was arrested at a Fine Fare grocery store in West New York, N.J.; and Rawhi Siyam, 44, of West New York, was arrested at the Los Hermanos grocery store in Union City. Special agents of U.S. Immigration and Customs Enforcement's Homeland Security Investigations (ICE HSI) made the arrests pursuant to arrest warrants issued by the United States District Court in Newark. Other individuals investigated as part of the alleged ring were arrested in North Carolina and Pennsylvania on charges brought by the U.S. Attorney's Office for the Middle District of North Carolina.

The Complaint unsealed today in Newark charges the three Siyam brothers with one count of conspiracy to receive and sell stolen baby formula and one count of conspiracy to launder money. The Complaint also charges Ali Siyam with one count of structuring monetary transactions to avoid federal reporting requirements.

Hamad, Ali, and Rawhi Siyam appeared this afternoon before United States Magistrate Judge Claire C. Cecchi in Newark federal court. Hamad Siyam was detained; his brothers each were released on a \$250,000 bond. In detaining Hamad Siyam, Judge Cecchi took into account his December 16, 2010, conviction for organizing a cargo theft ring that stole full tractor-trailers of merchandise from trucking yards in New Jersey and Pennsylvania.

According to the Complaint:

From September 2010 to December 2010, the Siyams arranged for the delivery of quantities of baby formula stolen from retail stores in North Carolina, South Carolina, Kentucky, Georgia, Tennessee and Virginia to the Los Hermanos grocery store Ali Siyam owns in Union City. The Siyams would then arrange for the sale of the stolen baby formula from Los Hermanos.

The Siyams then engaged in financial transactions to conceal the nature, source, ownership and control of approximately \$135,000 worth of proceeds from the sale of the stolen baby formula. Ali Siyam structured approximately \$208,744 in cash by depositing that cash in amounts of less than \$10,000 to avoid federal reporting requirements.

The count of conspiracy to receive and sell stolen goods carries a maximum potential penalty of five years in prison and a fine of up to \$ 250,000, or twice the gross gain to any defendant or gross loss to any victim of the crime. The money laundering conspiracy count carries a maximum potential penalty of ten years in prison and a fine of up to \$ 250,000, or twice the gross gain to any defendant or gross loss to any victim of the crime, or twice the amount of the criminally derived property involved in the transaction. The structuring count with which Ali Siyam is charged carries a maximum potential penalty of five years in prison and a fine of up to \$250,000, or twice the gross gain to any defendant or gross loss to any victim of the crime.

U.S. Attorney Paul J. Fishman praised the outstanding work of ICE HSI, under the direction of Special Agent in Charge Peter T. Edge in New Jersey, and IRS Criminal Investigation, under the direction of Victor W. Lessoff, in the investigation of this case; the U.S. Department of Agriculture Office of Inspector General for their work and origination of the investigation; and the Union City, N.J., and High Point, N.C., Police Departments for their contributions, which were instrumental to the investigation leading to today's arrests. U.S. Attorney Fishman additionally thanked the New Jersey Office of Homeland Security and Preparedness, New Jersey State Police Cargo Theft Unit, and the Hudson County Prosecutor's Office for their assistance. He also noted the cooperation of CVS and Weis Markets in supporting the investigation.

The government is represented in New Jersey by Assistant United States Attorney Frances C. Bajada of the U.S. Attorney's Office Criminal Division in Newark.

The charges and allegations contained in the Complaint are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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Defense counsel: Peter Carter, Esq., Federal Public Defender, Newark – for the purposes of this appearance